



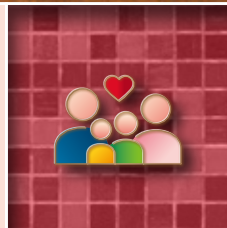
2023港鐵傑出貢獻嘉獎 - 特別嘉許獎

MTR Grand Awards for Outstanding Contribution Special Recognition Award

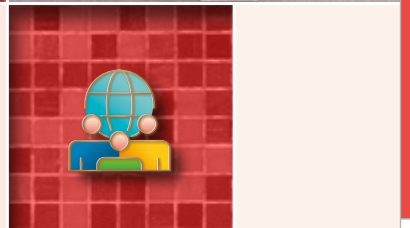


120+
Follow-Up actions for Employee Engagement Survey

7.2
Average Training Days per Employee in Hong Kong



54,000+
Staff Worldwide



HUMAN RESOURCES

A company's success is dependent on how well it engages with, develops and motivates its people. To ensure business continuity and fulfil its purpose to Keep Cities Moving, MTR continued to offer extensive learning, development and career opportunities for its employees, provide equal employment opportunities, and foster a supportive and harmonious workplace in 2023. These efforts were recognised with numerous awards from Hong Kong's human resources sector during the year.

As at 31 December 2023, the Company together with its subsidiaries employed 17,405 staff in Hong Kong and 16,000 staff outside Hong Kong. Our associates and joint ventures employed an additional 21,498 staff in Hong Kong and worldwide.

RECRUITMENT, TALENT MANAGEMENT AND RETENTION

In 2023, MTR's voluntary staff turnover rate in Hong Kong was 7.2%. The Company's efforts to attract and retain its employees – particularly in a tight labour market –

include regularly communicating and connecting with employees, providing comprehensive learning and development programmes, and enabling career development and personal growth.

Recruitment and retention have been challenging in recent years. We attract and retain employees by offering competitive pay and benefits, short-term and long-term incentive schemes, and a broad range of career development opportunities under our total reward framework. To meet manpower requirements for operational needs, the Company has been very active in recruitment. To enhance outreach to the community and raise public awareness, we organised a number of Recruitment Days in stations, community centres and MTR Malls. Further, an MTR Recruitment Bus was deployed to various locations to attract candidates. We also established promotional channels via digital platforms, the metaverse, printed media and station advertising. In addition, we have adopted a number of measures to attract and retain talent, such as introducing half-time jobs, expanding the Employee Referral Programme,

introducing a Joining Bonus Programme for designated positions with recruitment challenges, and conducting a review of the retirement policy with the aim of providing higher flexibility to handle deferred retirement cases. We also conduct regular reviews of pay and benefits and make necessary adjustments to maintain market competitiveness. Our robust performance management system facilitates us in recognising and rewarding employees through the performance-based pay review mechanism and various motivational and awards schemes.

Our extensive graduate recruitment initiatives also continued through a variety of digital and physical channels carried out in partnership with local and overseas universities. A total of 79 high-calibre graduates joined the Company's graduate development programmes in 2023, while 168 apprentices and technician associates and 31 graduate engineers were also recruited to join the Apprenticeship Scheme and Graduate Engineer Scheme respectively. These are our two primary vehicles to develop young talent in the railway industry.

As a caring employer, MTR emphasises employee well-being by cultivating a progressive workplace, implementing family-friendly policies and promoting work-life balance. In 2023, we reviewed and enhanced our adverse weather allowances to recognise employees' hard work under such circumstances and proactively conducted a review to improve the Wellness Platform to better support our employees in 2024.

To meet our Corporate Strategy objectives and long-term business goals, it is critical to build a strong pipeline of talented staff who can assume future leadership roles. A series of Talent Pipeline Programmes, including the Management Potential Development Programme and Management Development Initiative, help us access and identify supervisors and managers with leadership potential and groom them through structured development and cross-unit job rotations.

In view of the challenges related to the current labour market, it is crucial for employers to effectively communicate a clear and compelling employer brand that resonates with talent towards the company's purpose and goals. In 2023, we launched an Employer Branding Project, the first phase of which includes thoroughly reviewing MTR's employer brand image, defining its employee value propositions and developing a comprehensive recruitment marketing strategy.

STAFF MOTIVATION AND ENGAGEMENT

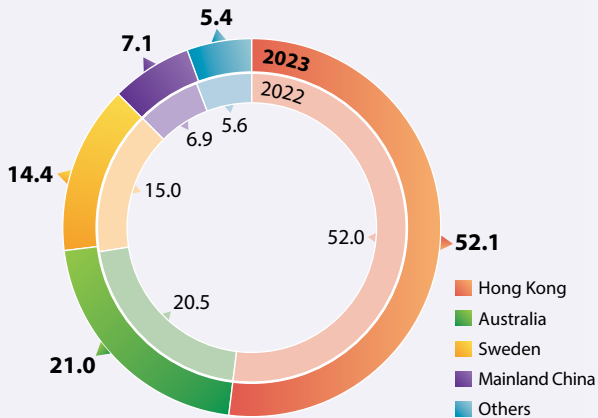
As part of our continuous internal communication strategies, we conducted an Employee Engagement Pulse Survey in December 2022 as a checkpoint to obtain colleagues' feedback following the successful Employee Engagement Survey ("EES") 2021. The response rate was 58%, and the results, analyses and insights were communicated to management and employees in February 2023. As a result, ten taskforces at the Corporate and Business Units/ Functions levels have designed and executed more than 120 actions to address the needs of employees and enhance the working experience at MTR. A full-scale EES was conducted in November and December 2023 to listen to the needs of employees in Hong Kong and those in wholly owned subsidiaries, and the response rate was 77%. Survey results and analyses will be communicated in the first quarter of 2024, and action plan development and implementation will follow.

In February 2023, we granted "Special Lai-sees" of HK\$500 and HK\$200 to eligible full-time and temporary/part-time employees, respectively, as a token of appreciation for colleagues' efforts in achieving major milestones despite the numerous challenges of the past year. In September, we recognised the tremendous efforts and professionalism of our Hong Kong Transport Services colleagues in keeping Hong Kong moving during the unprecedented extreme rainstorms of 7 and 8 September 2023 by presenting them with Special "Living the MTR Values" Awards. We also granted an additional one-off special recognition to essential colleagues of various Business Units/Functions who reported to duty during the period of adverse weather.

In November 2023, we hosted the "MTR Grand Awards for Outstanding Contribution and Long Service Awards Presentation Ceremony", an annual event that recognises individual colleagues and teams who have demonstrated exemplary performance and loyalty to the Company. A record-high 95 loyal awardees received the 40 Years' Service Award. In 2023, we refined the scheme of the MTR Grand Awards for Outstanding Contribution and increased the number and value of awards to strengthen employee motivation. A Special Recognition Award was granted to recognise the dedication and exceptional efforts of frontline colleagues in handling the serious flooding incident at Wong Tai Sin Station due to extreme weather on 7 and 8 September 2023 and achieving speedy service recovery.

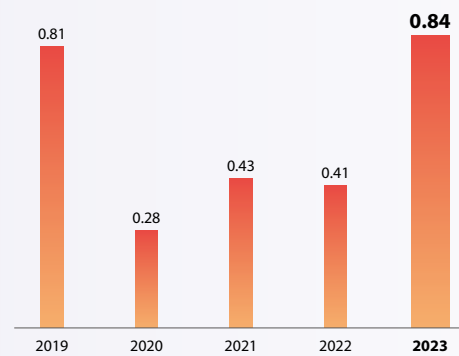
Staff Distribution by Geographical Location

(Percentage)



Staff Productivity – Earnings Per Employee*

(HK\$ million)



* Hong Kong businesses excluding property development

LISTENING AND RESPONDING TO EMPLOYEES

We strive to nurture a committed and motivated workforce by going the extra mile to connect with, listen to and respond to our colleagues. Our Staff Consultation Mechanism enables management to keep close connection with more than 1,000 staff representatives, who are elected directly by staff, and discuss matters of common concern. In 2023, the Company held quarterly meetings for the Staff Consultative Council and 50 Joint Consultative Committees, the discussion and achievements of which are communicated to staff regularly. We also organised 14 communication sessions with staff representatives and unions to provide updates on the latest developments in our business and address their concerns.

We continued to leverage various forms of internal communications to share information and facilitate exchange of views on corporate developments for employees based in Hong Kong, Mainland China and overseas hubs. During the year, we published CEO Messages, CEO Blog posts and featured videos via MTRConnects, our global internal website, and regularly conducted management focus groups, site visits and council meetings to reach out and connect with employees across the Company.

With the pandemic receding, we resumed in-person communications initiatives in 2023. The Company organised seven management forums and meetings, including Executive Managers Forums and Management Communication Meetings, to connect with managers from Hong Kong, Mainland China and overseas hubs.

A CULTURE OF CONTINUOUS LEARNING

MTR invests in quality learning and development to build employee capabilities for the long-term success of the Company's business as well as its people. In 2023, we continued to provide a wide range of learning and development topics covering business, management and functional skills for an average of 7.2 days of training per employee, including face-to-face, digital and e-learning courses.

In addition, we continued to develop technology-focused programmes such as robotic systems and data-driven mindsets to help employees enhance railway safety and efficiency. These programmes aim to equip our colleagues with the knowledge and skills in line with the newly upgraded railway systems in frontline operations.